
OLR Bill Analysis

sSB 1162

AN ACT CONCERNING THE FILING DEADLINE FOR CERTAIN PROPERTY TAX EXEMPTIONS.

SUMMARY:

This bill allows taxpayers in specified towns to receive property tax exemptions even though they missed the statutory filing deadlines for the exemptions. The exemptions are for manufacturing machinery and equipment (MME), commercial trucks, and nonprofit organization property. It also allows taxpayers in specified towns to request that the Office of Policy and Management (OPM) secretary reconsider assessors' modifications or denials of MME tax exemptions, even though they missed the deadline for filing such requests.

Finally, the bill grants a property tax exemption to a charitable organization for property in Middletown that it operates as affordable senior housing and requires the city to refund any taxes and interest paid on the property.

EFFECTIVE DATE: Upon passage

FILING DEADLINE WAIVERS

§§ 1-3 — Machinery (MME) and Commercial Vehicle Exemptions

The bill allows certain taxpayers to receive certain property tax exemptions for particular grand list years even though they missed the statutory filing deadlines for the exemptions. The state reimburses towns for lost property tax revenue for these exemptions. The exemptions are for:

1. machinery and equipment used for manufacturing, biotechnology, or recycling (CGS § 12-81 (72)) and
2. new and newly acquired commercial trucks (CGS § 12-81 (74)).

By law, property owners must apply to local assessors for these exemptions by November 1, annually. The bill waives the deadline for property owners in certain towns and for one or more of the above property categories and grand lists shown in Table 1, if the property owners apply for the exemption within 30 days of the bill's passage and pay the statutory late fee.

Table 1: EXEMPTION APPLICATION DEADLINE WAIVERS

§	Town	Grand List	Type of Property
1	Bloomfield	2009	Manufacturing machinery and equipment
2	Franklin	2009, 2010	Commercial trucks
3	Hartford	2006,2007,2008	Manufacturing machinery and equipment

In each case, the local assessor must (1) verify eligibility for and approve the exemption, (2) refund any taxes paid on the property, and (3) submit the request for any available tax loss reimbursement to the OPM secretary. Subject to the secretary's review and approval, the bill requires the state to reimburse the town for the tax loss under the applicable statute.

§ 4 — Exemption for Nonprofit Organization Property

The bill allows an organization organized exclusively for scientific, educational, literary, historical, or charitable purposes or to preserve land for open space to receive an exemption for real property on Middletown's 2009 grand list even though it missed the deadline for filing the required property tax exemption statement (November 1, quadrennially). It requires the organization to be considered to have filed the statement in a timely manner if it does so within 30 days after the bill passes and pays the statutory late fee.

It requires the Middletown assessor to approve the exemption after confirming the fee payment and the property's eligibility for the exemption. Middletown must refund any excess taxes, interest, and penalties the organization paid on the exempt property.

§§ 5 & 6 — Requests to Reconsider Denial or Modification of MME Exemption

The bill allows taxpayers in Sprague and Seymour to file written requests to the OPM secretary to reconsider the secretary's

modification or denial of the towns' respective assessors' decisions to exempt certain MME, despite the taxpayers having missed the deadline for filing such requests. The requests pertain to property on each town's grand list for the October 1, 2008 assessment year.

The bill gives the taxpayers 30 days after its passage to file a request together with all documentation and information the secretary requested in the original modification or denial letter. The secretary has 30 days from the request date to consider the information and make a decision. If the taxpayers are aggrieved by the decision, they can ask for a hearing according to the regular statutory procedure. If the secretary finds that the taxpayers are eligible for the exemptions, the secretary must notify the Sprague and Seymour assessors and include the state reimbursement for the exemptions in its next MME reimbursement payments to those towns. Sprague and Seymour must reimburse the taxpayers for any taxes paid, in an amount equal to the state reimbursement they receive for the taxpayers' exempt MME.

§ 7 — PROPERTY TAX EXEMPTION FOR SENIOR AFFORDABLE HOUSING IN MIDDLETOWN

Despite a statute that, with certain exceptions, makes government subsidized low- and moderate-income housing ineligible for a property tax exemption, the bill gives a charitable organization an exemption, if:

1. relying on a statement by the Middletown assessor that the property would be tax-exempt, the organization operates affordable senior housing in Middletown;
2. the property in question is used for such housing; and
3. the property was not assessed property tax for the October 1, 2002 to October 1, 2009 assessment years.

The bill terminates the exemption if the property's owner or operator changes or it is no longer used for senior affordable housing. It also requires Middletown to refund any taxes or interest paid on the property.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 49 Nay 0 (04/18/2011)